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Corporate Report

NO: R110

COUNCIL DATE: May 26, 2003

REGULAR COUNCIL

TO: Mayor & DATE: May 21, 2003

Council

FROM: General Manager, FILE: 0450-20

Engineering (REAC)

SUBJECT: Protocol for GVRD Capital Projects

RECOMMENDATION

That Council endorse the Protocol for Greater Vancouver Regional District Projects, attached as Attachment A.

INTENT

To establish a corporate position on the proposed Protocol for GVRD Capital Projects.

BACKGROUND

The GVRD, as part of its operation of regional water, sewer, solid waste and parks services, constructs various major capital works. These can range from very large projects such as waste water treatment plants, to medium size projects such as transfer stations, to smaller projects such as trunk sewers and water mains. Up until now, no protocol has existed to outline the process to be undertaken by the GVRD and the applicability of building permit fees, DCCs, etc. This lack of protocol has led to considerable discussion on the applicability of building permits, development cost charges, etc., and the need for a consistent approach on public consultation.

Historically, the GVRD has not applied for building permits or paid DCCs to the municipalities where the facilities are being located. In view of this situation, a committee of Regional Administrators was set up to develop a Protocol to govern the construction of regional facilities. The resulting Protocol is Attachment A, and it deals with the following issues:

- need to inform and seek input from host municipalities;
- need to involve municipalities in any public consultation processes;
- establishment of a 'voluntary permit' system and payment by the region to the host municipality of equivalent fees and development cost charges; and
- need for a dispute-resolution approach and establishment of a dispute-resolution process.

Summary of Proposed Protocol

Consultation

The need for consultation with the host municipalities and the public is emphasized in the Protocol.

Payment of Fees

Under the Protocol, the region would apply for 'voluntary permits' and pay fees and DCCs equivalent to that payable if regular permits applied. It is proposed that the payment of fess and DCCs would be retroactive back to 1995. Under this retro-activity, Surrey would receive a small amount of DCCs for the relatively small number of regional facilities constructed in Surrey. Larger amounts have already been received by Delta and Richmond for the new sewage treatment plants that were constructed in those municipalities.

Fees and DCCs would be charged against the overall capital cost of the project involved.

Dispute Resolution

Where there is a dispute regarding a regional facility, the Protocol proposes the following process:

- non-binding assessment by a 'peer review panel' of three members appointed by the municipality and the GVRD;
- the 'peer review panel' findings would be presented to the GVRD Board, which would then rule on the dispute; and
- municipalities could appeal GVRD Board decisions to the Inspector of Municipalities; however, where the
 decision is appeal to the Inspector, it would be agreed that the Inspector's decision would be final and not be
 pursued in the courts.

Action Taken So Far

The GVRD Board has approved the Protocol and it has been endorsed by virtually all other member municipalities.

Options for Council

Council has the following options:

- Approve the Protocol as proposed.
- Approve the Protocol for certain types of works (such as water and sewer only).
- Not approve the Protocol at all:
 - City would have to utilize the current system of dispute resolution (i.e., appeal to Inspector of Municipalities and/or the Provincial cabinet.
 - City would not receive back-payment for DCCs on regional facilities constructed over the last 5 years (this is a relatively small amount, less than \$10,000 in total).

Projects About to Proceed

The sanitary sewer overflow containment facility at Hwy. 10 and 164 Street is, should the protocol agreement be approved, about to commence the permit stage. Should the protocol not be approved, then the issue of the legal requirement for the GVRD obtaining permits will have to be resolved legally and then dealt with accordingly.

CONCLUSION

The current lack of process involved in the construction of regional facilities within member municipalities has led to the establishment of the attached proposed Protocol. While the Protocol still leaves the GVRD Board with the final decision on capital projects, it does provide for an independent review process and the payment of fees and charges by the region to the host municipality. Additionally, it retains the current avenue of appealing a GVRD Board decision to the Inspector of Municipalities; consequently it does have some advantages for Surrey.

Paul Ham, P.Eng. General Manager, Engineering

PH/brb Attachment

c.c. - City Solicitor

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